



SEN. GEORGE RUNNER (RET.)

MEMBER
STATE BOARD OF EQUALIZATION
CALIFORNIA'S TAX BOARD

May 5, 2014

Assembly Member Mike Gatto, Chair
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

RE: ASSEMBLY BILL 2009 (WEBER) – BOE: ADMINISTRATION: MANAGED AUDIT PROGRAM • SUPPORT •

Dear Assembly Member Gatto,

I am writing to urge your support of Board of Equalization-sponsored Assembly Bill 2009 (Weber), which extends the Managed Audit Program (MAP) authority that currently exists under the Sales and Use Tax program to various special tax and fee programs administered by the BOE.

Managed audits are essentially supervised self-audits. Under the existing MAP, the BOE is authorized to determine which taxpayer accounts are eligible to participate in a MAP and to enter into MAP Participation Agreements with eligible taxpayers. The program offers many advantages including the ability to provide early resolution of taxability issues, fewer protested audits, and improved cooperation between the BOE and taxpayers. It also allows the BOE to reallocate audit resources to other audits or other revenue generating activities and offers participating taxpayers a 50% interest "discount" on any tax liability disclosed as a result of the managed audit.

Despite its advantages, the MAP is authorized only under Sales and Use Tax Law. ; Therefore, I am pleased to support AB 2009 and urge your "aye" vote when it is heard before the Assembly Appropriations Committee on May 7.

Sincerely,

A handwritten signature in blue ink, appearing to be "G. Runner", written over a horizontal line.

GEORGE RUNNER
Second District

cc: Assemblymember Weber
Anthony Archie, Assembly Republican Fiscal Consultant